

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF INDIANA
NEW ALBANY DIVISION

IN RE:)
)
KENTUCKIANA MEDICAL CENTER, LLC) CHAPTER 11
)
)
Debtor) CASE NO. 10-93039-BHL-11
)

**MOTION TO MODIFY ORDER EXTENDING
EXCLUSIVITY PERIOD FOR FILING AND SOLICITING
ACCEPTANCES OF A PLAN OF REORGANIZATION**

Comes the Debtor, Kentuckiana Medical Center, LLC (“KMC” or “Debtor”), by counsel, and hereby moves the Court to modify its Order entered herein on June 8, 2011, relating to the date upon which Debtor has the exclusive right to file its Chapter 11 Plan and solicit acceptances thereof. The grounds for this motion are as follows:

1. On April 13, 2011, Debtor filed a motion to extend the time for exclusivity to file its Chapter 11 Plan and to solicit acceptances thereof. Two parties, Med-One Capital Funding, LLC (“Med-One”) and The Leasing Group, LLC (“Leasing Group”) filed objections thereto. At a hearing on June 2, 2011, the Court permitted exclusivity to continue until July 18, 2011.
2. The Order of June 8 also stated, “There shall be no further extensions of the exclusive periods for KMC to file or solicit acceptances of a plan of reorganization.”
3. The entry of the June 8th Order was based, in part, on the Court’s reliance that an evidentiary hearing was to take place on July 1, 2011, among the Debtor, KMC Real Estate Investors, LLC (“KMC REI”); and RL BB Financial, LLC (“Rialto”), to determine, *inter alia* the value of the KMC REI real estate and improvements and whether the Court would grant a “priming”

loan secured by the KMC REI real estate. The Court's rulings on these issues will be a prerequisite to determining whether the Debtor can propose a feasible plan of reorganization.

4. Due to circumstances beyond the control of both the Debtor and Rialto, neither obtained their appraisals on the subject real estate in a timely fashion.¹ Obviously, a hearing could not be held on July 1, 2011 on these issues and the Court has rescheduled the hearing to July 13, 2011.

5. Because the value of the real estate and whether the Court will grant a priming lien are crucial issues to the filing of a plan, Debtor hereby requests that the exclusivity period for the filing and soliciting acceptances of its plan of reorganization be extended twelve (12) days, to July 30, 2011, the same number of days to which the July 1, 2011 hearing has been rescheduled.

6. Med-One's counsel has notified the Debtor's counsel there is no objection to the relief sought herein.

7. Leasing Group has (of course) refused to consent to the relief sought herein.

8. It is inconceivable that any party in interest can show prejudice by the granting of this motion. It has been represented to the Court and creditors herein, *ad nauseam*, that a significant portion of the priming loan will be utilized to satisfy equipment financing entities' claims, such as Leasing Group, in Debtor's plan.

WHEREFORE, Debtor prays this Honorable Court will modify its Order of June 8, 2011, and extend exclusivity to file its Plan to July 30, 2011, and to solicit acceptances to August 30, 2011.

¹ As of the filing of this motion, Rialto's counsel still has not received its appraisal.

Respectfully submitted,

/s/ David M. Cantor
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CERTIFICATE OF SERVICE

It is hereby certified that on June 30, 2011, a true and correct copy of the foregoing was (a) mailed electronically through the U.S. Bankruptcy Court's ECF system at the electronic addresses as set forth in the ECF system to all persons receiving electronic notifications in this case, and (b) mailed, first-class, postage prepaid, to those persons, if any, identified in the Court's Notice of Electronic Filing who do not receive electronic notice but are entitled to be served.

/s/ David M. Cantor
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